

## **Fife Sports and Leisure Trust**

Minute of the Virtual Meeting of the Board of Directors  
held on Thursday 18<sup>th</sup> February 2021  
at 3.30pm via Microsoft Teams

Present: R Campbell (Chair)  
J Hamilton (JH)  
E Wallace (EW)  
P Gulline (PG)  
A Suttie (AS)  
D Lothian (DL)  
B Thomson (BT)  
D Watt (DW)

In Attendance: E Walker (CEO) Chief Executive Officer  
W Watson (WW) Chief Operating Officer  
V Wyse (VW) Head of Finance & Business Development  
L Turnbull (LT) Human Resources Manager  
S Urquhart (SU) Sport & Physical Activity Manager  
C Bowman (CB) Personal Assistant (Minutes)

### **ACTION**

#### **947. Welcome and Apologies**

The Chair welcomed everyone to the meeting. Apologies were received from C McDonald, Ken Caldwell and Linda Erskine.

#### **948. Declaration of Interests**

No declarations of interest were declared.

#### **949. Minute of the Meeting Held on 28<sup>th</sup> January 2021**

The Minute was approved and the Chair was authorised to sign it.

#### **950. Matters Arising**

##### **936. CEO's Update**

##### **Fife Council Update**

Meeting Arranged for CEO, Chair and Vice- Chair for 10<sup>th</sup> March 2021 with FC Officers and Elected Members re Trust's financial position.

### **Workforce change planning for post-April (reduced hours model)**

Workforce change proposals will be presented to Service Improvement Committee on 3<sup>rd</sup> March 2021 and copies of staff communications were circulated to Directors.

#### **938. FSLT COVID Route Map Report**

Further update provided later in the agenda.

#### **940. Future programme developments based on Napier University Research and Health Team Experience of Programme Delivery**

Report was issued to Directors by email on 17<sup>th</sup> February 2021

#### **941. Beacon Leisure Centre**

Further update provided later in the agenda.

#### **942. Facilities Update – Capital Works**

Discussion are ongoing with Fife Council. on allocation of capital works

Discussions ongoing with Fife Council.

#### **943. HR Performance Management Review Policy**

Work is ongoing to develop the appropriate training and guidance to support the managers and once complete the HR Manager will communicate the policy and procedures to staff. Updates on how the policy is performing will be reported back to Directors at regular intervals.

#### **951. Chairman's Report**

The Chair reported that since the last Board meeting he has met with the CEO on three occasions to discuss various items of business. He has also viewed a review of a NHS Scotland 2020 paper sent to him be EW in relation to sport and physical activity.

*JH joined the meeting at this point.*

#### **952. CEO's Update**

##### **952.1 Letter of Support from Fife Council**

The CEO referred to the letter of support received from Fife Council on 16<sup>th</sup> February 2021 which was circulated to Directors prior to the

meeting. The letter provides assurance that FC will pay an interim supplementary Management Fee on 1<sup>st</sup> March 2021 to assist with the current deficit and assist with the short term cashflow difficulties the Trust faces due to COVID 19. Once the actual 2020/21 financial position is known, FC will review the position. The expectation is that the Trust will continue to contain costs and take action to pursue all other potential means of funding from other sources to contain the deficit

An immediate priority for the business is the budget position for the next financial year. It would appear that the Scottish Government has not ring-fenced any monies for sport and leisure next year and the biggest funding stream is currently the Coronavirus Job Retention Scheme. There is little external funding available therefore the Trust is very much reliant on FC in terms of the set Management Fee and any top up support to maintain a break-even position.

## **952.2 Sport and Leisure Reform Agenda**

As reported at the last Board meeting, there has been a delay in the reporting of the sport and leisure reform to FC's Policy and Co-Ordination Committee, however the Trust continues to work closely with the Council on the potential merger and the Pan-Fife Aquatics Programmes. Legal advisors have now been appointed to progress the potential merger and following this a timetable of work will be agreed. A fuller update will be presented at the next meeting of the Strategy Committee. The Pan-Fife Aquatics Programme is a huge undertaking looking at aligning the provision of swimming lessons across Fife and SU continues to make good progress with this.

## **952.3 Ongoing Work Streams**

The Trust has taken the opportunity during furlough to plan ahead to ensure the business is prepared for the year ahead, particularly in terms of budget information, year-end approach, external audit and Director liability and details will be provided at the next Governance and Compliance Committee meeting.

JH enquired if the Trust was carrying out a number analysis when looking at across Fife services, eg the Pan-Fife Aquatics Programme. The CEO responded that SU presented a report to the Services and Operations Committee in December 2020 which analysed the current market share and the potential growth opportunities. The first priority is to standardise the scheme, ensuring staff qualifications are the same and align the quality standards and delivery of the programme and then look at growth opportunities which appear to be very favourable.

Directors noted the content of the update.

## **953. Committee Business Update**

WW provided an update on a number of items of business discussed at the Governance and Compliance Committee meeting held on 9<sup>th</sup> February 2021.

### **953.1 Health & Safety Performance Review**

WW provided Directors with an update on the performance review for Q2 and Q3 of 2020/21 relating to the Safety and Facilities function. Incidents were low due to the reduction in attendances and activities during the period and there was only one reportable staff incident which resulted in no enforcement action.

The majority of health and safety activity during the period has focused on adapting risk assessments and operating procedures in response to COVID.

Directors were advised of the Health and Safety Policies which would require to be reviewed during 2021/22 and EW offered to review some of the risk assessments, current policies and procedures and staff training with a view to making recommendations to update existing policies.

Once facilities are able to re-open Directors will have the opportunity to visit any of the centres to see the health and safety measures in place.

### **953.2 GDPR Update**

WW updated Directors on the progress to date and the CEO will bring a further report to the next Governance and Compliance Committee.

### **953.3 ORACLE Financials/Procurement**

The new ORACLE Procurement module has not encountered too many problems as it is mainly an upgrade to the existing system. The issuing of orders and payment of invoices is working well. Initially there were a few glitches, however these have now been resolved and feedback from users has been favourable.

The main issues are with the standard reporting system within Oracle Financials Only a limited number of reports are available and the consultants are currently working to resolve these issues. FC are providing weekly updates on their progress. Finance staff are using the Smartview reporting tool to plug gaps in the system and FC have been assisting with templates in order to enable data to be extracted in spite of the issues with the new system.

The new Planning and Budgeting Module (PBCS) will be used for payroll forecasting once the system is fully updated, hopefully by 1<sup>st</sup> April 2021, and training will be provided by FC to finance staff.

#### **953.4 HR ORACLE Update**

All FSLT employees were moved from the AboutMe and the AboutMyTeam system to Oracle HR by Fife Council transaction team on 16th November 2020 which means that all staff and managers can log into the system from their own devices.

There have been a number of problems with the system, ie inaccurate transfer of personal details and some functionalities not working as intended, however some of them have been resolved with a manual workaround. FSLT currently has no access to FC's online Recruitment and Learning & Development facilities. The Trust is keen to access this as the online training is of good quality and could provide a real saving for the Trust. This item will be discussed at the next Service Improvement Committee meeting.

#### **953.5 SharePoint**

SharePoint is a Microsoft Office 365 tool which simplifies how digital information is stored, shared and easy to retrieve. The current technology is ageing and will be unable to support the business in the future therefore all files must be transferred to the new system. A Project Plan led by Rob Adamson, working in conjunction with FC's Business Technology Solutions service, is moving forward and is currently on schedule for "go live" by 31<sup>st</sup> March 2021. A member of FSLT staff has been seconded to the team to liaise between BTS and the SharePoint team and this is working effectively. Training will be provided to staff prior to the system going live.

Directors noted the content of the Committee Business updates.

#### **954. Q2/Q3 Financial Performance Report**

VW provided Directors with up to date information relating to the Management Accounts, revenue and cash flow projections for the year based on the information up to Q3 of 2020/21 and provided updates on the current level of debt outstanding, and progress with the 2021/22 budget. The report was considered by the Governance and Compliance Committee at a meeting held on 9<sup>th</sup> February 2021.

#### **954.1 Management Accounts**

VW updated the Directors on the Q3 deficit position, which resulted from centres being open for the majority of Q3 when income was restricted as a result of COVID capacity, which had increased over previous quarters as the income obtained from the CJRS was far greater than the income generated at centres in Q3.

These results are based on spreading the Management Fee and Top-up fee evenly across the financial year and even once taking the higher fee and CJRS into account as replacement for customer income, there is still a significant loss of income when compared with the previous year. This was offset by reductions in expenditure which were broadly similar to the income loss for Q2 and slightly lower than the income loss for Q3 resulting in an adverse movement in the Q3 deficit compared to the previous year.

At the end of Q3 unrestricted reserves are particularly low, however FC has committed to supporting the deficit for the year which should result in reserves returning to their opening position for the year.

#### **954.2 Revenue Projections to 31<sup>st</sup> March 2021**

The revised deficit position to the end of the year is has improved by a further £170k since the last update to the Board. This is assuming that centres will remain closed to the public to the end of the financial year and staff will return to work in the last week of March in anticipation of re-opening in April. If this is delayed, then the deficit will reduce further as a result of the CJRS payment for one week. There will also be an additional saving to be made in depreciation.

#### **954.3 Cash Flow Projections**

The cash deficit at the end of the year has reduced by £25k since the last update, with the pinch point remaining at the beginning of March. This continues to be tightly managed. The letter of financial support referred to in Item 952.1 confirms a top up from FC will be paid, however there will be a further cashflow issue on 1<sup>st</sup> April when n salaries are due to be paid, however FC has agreed to defer taking the salary payment until the Trust is receives its first Management Fee payment for 2021/22, due around the same time.

#### **954.4 Outstanding Debt**

The levels of outstanding debt are up £17k overall when compared with November. Debt over 90 days remains high but is £4k less than previously reported. The debt recovery process was suspended by FC during the first lockdown in March 2020. One large debtor has a payment plan in place however it will take a significant period of time to pay off the debt. In addition to FC's debt recovery process, the Operations Manager and Business Support Co-Ordinator are developing a debt recovery process for FSLT to engage directly with debtors. The ALM's will take an active approach to ensure corrective action is taken with Club debt to avoid debt increasing.

Debt KPIs have been set up to manage exposure to credit risk and monitor progress of the above and these were provided within the

report. Due to the impact of COVID this has been difficult to benchmark and will be subject to refinement over time.

#### **954.5 2021-22 Budget Progress**

VW is currently working on the detail for the final Budget position for approval by the Board in March 2021. The key area of work is to develop further information on the initial starting point of key income streams and establish a reasonable level of growth for each income stream, using analysis of income post lockdown and trying to assess the impact of movement between tiers. Budgets for three separate staffing scenarios have been completed and the update is almost complete for revised pay inflation assumptions with the latest announcements on public sector pay from Scottish Government ready for incorporation into the 2021/22 budget and also depends on the outcome of negotiations with Fife Council on workforce change. Potential growth areas from the Pan-Fife Aquatics programme, the merger with another Fife Trust and other areas from the Sport and Leisure Reform agenda will also be reviewed.

The CEO added that this was probably one of the most complex budget setting processes that the Trust is likely to face. She cautioned that the budget is a forecast and that as much flexibility as possible, based on assumptions, has been built in, however there still remains a risk to income when moving between the tiers next year. The budget will be cleansed and identify the risks for the next financial year before it is presented to Directors and will be completed prior to a meeting with Fife Council Officers and Politicians on 10<sup>th</sup> March 2021.

JH added that there should be a flexible approach into next year due to the proposed budget containing many caveats and assumptions and FC will need to work with the Trust to provide an adequate Management Fee.

The CEO also added that Community Leisure UK has advised of a mixed response from local authorities in terms of how they support their leisure and culture portfolio. Some local authorities have brought leisure and culture back into their control, however FC has been very supportive and the Trust welcomes the positive relationship with the Council.

Directors commented and noted the content of the report.

#### **955. Proposed Internal Audit Plan**

WW presented the report which was discussed at the Governance and Compliance Committee meeting held on 9<sup>th</sup> February 2021.

WW reminded Directors that an internal audit to scrutinise cash handling procedures was carried out last year by Fife Council and a number of recommendations were implemented. Since then facilities

have been closed but a working group will pick up on the key priorities and these are included in year 2 of the draft proposal for internal audit to ensure staff are adhering to the cash handling policy.

The priority strategic areas for internal audit have been identified and were attached to the report. The proposed draft plan for 2021 – 2026 outlines an indicative number of days allocated for each audit service area. On agreement of the plan a meeting with FC will take place to agree the scope of the audit and timelines. Thereafter a more detailed plan will be presented to the Governance and Compliance Committee for approval.

Directors agreed the proposed internal audit plan for 2021-2026 and a detailed scope of works for the 2021/22 internal audit programme would be submitted to the Governance & Compliance Committee

#### **956. Q2/Q3 Media Relations Review**

WW advised Directors that a new media relations KPI framework has been put in place to document in more detail what is being delivered within the business and how this has been approached over the last year. This information will be a key area for recovery in the coming year and will be presented to the Board on a regular basis.

The Trust issued 17 media releases between 1<sup>st</sup> July to 31<sup>st</sup> December 2020 (Q2/Q3) which were picked up by most of the local papers and posted on FSLT's website and social media channel. The Trust received very positive feedback and a summary of the media releases is included in the report.

Once the Scottish Government advises that Fife will be moving into COVID Tier 3, a media release will be issued to advise customers of re-opening dates, the activities on offer and how to access them. In order to build staff and customer confidence, the press release will also promote the safety measures taken within the facilities and the benefits of being physically active. The Governance and Compliance Committee recommended that going forward, as well as issuing reactive media releases, there should be a plan of pre-programmed releases and the programme already in place will be built upon.

Directors noted the progress to date and requested the CEO provide further updates to the Governance & Compliance Committee.

**CEO**

#### **957. Re-Opening Plans Update**

SU advised Directors that when FSLT re-opened its centres on 14<sup>th</sup> September 2020 after the first COVID 19 lockdown, a process was developed to monitor the recovery plan. From this experience lessons were learned and nine recovery plans have now been identified.



These include projects to road map the re-engagement of the Learn to Swim Programme, the membership base, the gym service and facilities across Fife, fitness classes, delivery of the Health Programme, venues opening, dry side programming, club/block bookings and building checks.

SU demonstrated how each plan works. Each plan has set objectives. An owner, along with supporting staff, will map progress in terms of recovery and analyse each stage of the process to enhance the customer experience, attract more customers, make the centres safer. In the main, recovery plans will be looking at workforce planning and training for all staff.

At the moment the Trust is working towards a notional opening date of 1<sup>st</sup> April 2021, however if the Scottish Government changes this date the Trust will be flexible in moving.

Directors noted the update.

#### **957. Staff Welfare Update**

LT updated Directors on the wellbeing journey undertaken by the Human Resources function during the pandemic to support the workforce.

One of the many challenges has been to ensure that employees feel supported, connected and have the necessary tools to do their job remotely. Lessons have been learned during lockdown and a Staff Survey was undertaken to identify any barriers staff may have on returning to work and how these could be minimised. 77% of staff participated and their responses helped shape the way HR dealt with employees returning to work. Following this a number of tools were developed to support employees and managers including support with Occupational Health referrals which are now online and processed quickly.

Following the success of the survey, HR is now working on a second survey for employees returning to work. This will be a more in-depth, interactive survey and will help identify hot spots and deal with situations on an individual or site by site basis. This approach will provide better analytics and provide more information to action. The results will be presented to the Board once available. Further pulse surveys will be undertaken in the future to measure the temperature of staff wellbeing.

LT

Mental health is of major importance and a structure has been developed to address the many issues staff may face on return to work. A Mental Health First Aid Co-Ordinator has been trained and qualified and will co-ordinate training for managers and members of the Health and Wellbeing team to enable them to support the

workforce. These staff will be trained to have meaningful conversations with employees and be able to sign-post them to the appropriate area for assistance. The aim is to launch the programme during National Mental Health Week 10<sup>th</sup> – 16<sup>th</sup> May 2021. The Trust is also collaborating with FC's Healthy Working Lives programme and FSLT employees are able to access this online.

The Trust recognises that change in employee relations is inevitable. It will continue to build on its experience and act quickly to put actions into place based on staff feedback. Previous ways of working will need to change and these will be addressed.

LT advised that the Trust is pro-actively participating in FC's Community Testing Programme. 14 volunteers have received online training and are currently working in Cowdenbeath, 5 in Kirkcaldy and 8 in the process of being allocated. Two volunteers are also working in close partnership with Fife NHS and FC within the Track and Trace project.

The CEO commented that she is delighted with the level and detail of the work, particularly around mental health. It is clear due to the changing environment and working environment that the Trust recognises the challenges and concerns of staff and will modernise its policies or practices to support the workforce.

The Chair thanked all involved in the update.

#### **958. Beacon Leisure Centre Update**

WW provided Directors with an update on the works required to the pool filtration system to allow it to meet COVID compliant water quality standards with the work anticipated to be carried out during March 2021.

A site visit by the Safety & Facilities Team and the Operational Team has been arranged for 19<sup>th</sup> February 2021 to establish safe routes within the centre in line with social distancing.

AS enquired if there was an end point in sight for the re-opening of the centre. CEO confirmed that there has always been an appetite to open the centre but the 2m social distancing restrictions and problems with the pool have delayed this. Now that capital works funding has been allocated by FC the pool issues will be resolved. The visit on 19<sup>th</sup> February is to look at options to operate within the restrictions as these may be in place for a further year.

WW is happy to facilitate a tour of the once the work has been undertaken.

Directors noted the content of the update.

**959. AOB**

The CEO invited Directors to view facilities prior to re-opening. An invitation will be sent once a programme of re-opening is established.

**CEO**

The Chair thanked Directors for their attendance and the Executive Management Team for their input to the reports.

**960. Date of Next Meeting**

Thursday 25<sup>th</sup> March 2021 commencing at 3.30pm via MS Teams.

**Signed** \_\_\_\_\_  
**Chair**

**Date** \_\_\_\_\_